

***Fortune* Reimagine Work: Post-Pandemic Office Requires Flexibility, Intentionality from Leaders**  
**Summary of November 12 event “Farewell to the Office?”**  
**In Partnership with Future Forum by Slack**

As employees desire a hybrid office model in a post-pandemic world, executives are mulling a host of decisions to accommodate the new approach such as how work should be redesigned, the need to offer flexibility, and the intentionality to ensure diversity and equity thrive in the new setup.

Leaders from top companies discussed how the pandemic has changed the way we work, with a focus on the physical office, during a *Fortune* virtual event, “Farewell to the Office?” on November 12. Discussion leaders were Diane Hoskins, co-chief executive officer, Gensler; Nickle LeMoreaux, chief human resources officer, IBM; Atif Rafiq, president, MGM Resorts; and Kirthiga Reddy, partner, SoftBank Investment Advisers. *Fortune* Senior Writer Michal Lev-Ram moderated the event, which was presented in partnership with Future Forum by Slack.

Research shows 72.2% of workers want a hybrid remote-office model, and only 11.6% of knowledge workers want to return to the office full time.

Yet, that doesn’t mean there is no need for employees to meet, according to Brian Elliott, a Slack vice president who leads Future Forum. “There’s kind of a mythology around this idea that nobody gets together if they’re in a virtual company,” said Elliott, noting companies like Dropbox that are becoming virtual first are exploring converting some offices into studio space for meetings. “There’s no such thing as teams that don’t need to get together physically, but a lot of that is, I think, going to come back to a sense of belonging, the social connections, and how you pull people together.”

Gensler research shows people spend 45 to 47% of their work time as individual focused activity, which is why work-from-home has been successful, said Hoskins. But 43% of work is collaborative. “That is where a lot of the challenges are today in how people are collaborating and the effectiveness of that collaboration and then the bottom-line KPIs that result for the company,” she said.

Post pandemic, IBM believes in a hybrid model, but one in which employees are within commuting distance to an IBM hub or office, LeMoreaux said. Three-quarters of IBMers want to go back to the office, and one-quarter want to return full time. “They’re missing the informal collaboration, the quick hallway conversations, the pieces of information you pick up over coffee in the office,” said LeMoreaux.

The challenge is not just making the physical space safe but thinking about how work is redesigned. “Not since the industrial revolution have managers had to really think about work design and individual tasks, not jobs, and deciding what jobs get done face to face

and what, with all the virtual tools we have, can be done remotely,” LeMoreaux said. “That is going to be critical in a post-pandemic world as we think about the office.”

The biggest need Reddy sees is for flexibility, both from SoftBank’s portfolio companies and from the enterprises using space with WeWork, where she is a board member. Even companies offering remote work permanently want to give an option for employees to come to an office, especially close to where they live to provide safe options for commuting. Collaboration is also key, especially for Gen Z employees who feel less connected when working remotely, she said.

While MGM Resorts employees in brick-and-mortar locations can’t work remotely, the company is evaluating more flexibility for its corporate workers, said Rafiq. “We need to put the employee experience at the center of everything,” Rafiq said. “I think the door is open across the board on flexibility, but it won’t be an easy path to navigate because when you introduce flexibilities, human psychology will come into the mix.”

He explained employees should advance based on their potential and performance, not whether they are coming into the office every day to have face time with higher-ups. Participants agreed, noting lower-level employees will mimic what senior leaders do regarding the amount of time spent in the office. Elliott asked if C-suite executives are in the office five days a week, would employees feel the remote option is “faux flexibility” and that they are second-class citizens. “I think there’s always going to be a place for physical gatherings and getting people together, but I think one of the key determinants of success will be how executives themselves behave,” he said.

Tracy Layney, chief human resources officer at Levi-Strauss, agreed junior employees could feel pressure if they are not in the office when senior management is. She also noted there could be a gender divide if women have a harder time getting into the office because of responsibilities they have at home.

Layney doesn’t envision her company’s corporate employees returning to the office five days a week. “For our corporate environment, I fully expect people to toggle back and forth between coming together with intentionality, whether it’s in large groups or small groups, and then using their time in their own space to do other kinds of work. We have to get very flexible with that. I think that is going to be the path forward, and that is going to unlock a lot from a cultural perspective,” Layney said.

At Gensler, senior leaders are more interested in a hybrid model and working from home than millennials and Gen Z, Hoskins said. But at IBM, executives said they are less productive working virtually because in an office people are nearby to get something done when needed. However, middle-level managers at IBM say they are more productive remotely because they are not being distracted by senior leaders. “That’s been a very interesting dynamic as we’ve gone through this,” said LeMoreaux.

Intentionality is critical as companies make decisions about the office setup, especially to ensure diversity and inclusion thrives and under-represented groups have an equal

chance to be in the room, even if it's virtual, the event attendees said. "I think the impact on inclusive teams could be dramatic," said Jana Rich, founder and CEO of Rich Talent Group.

Slack's employee experience index revealed Black, Latino, and Asian-American employees' sense of belonging was positive while working remotely while white workers' sense was negative. Elliott referenced insight from Brian S. Lowery, a Stanford organizational behavior professor, who said code switching has a real cost and people of color may be doing it all day in the office but while working from home can turn it off and on, relieving stress.

Reddy noted data that only 30% of the U.S. labor force has the ability to work at home, an ability influenced strongly by race and ethnicity. "It's something enterprises need to be really careful about, and conscious about, in making sure they are not increasing these divides, and are being conscious of overcompensating and providing opportunities of physical spaces for people to work in a flexible manner," she said.

DECEMBER 15 | Summary of *Fortune* Virtual Event

## New Ways to Lead

---

The challenges of middle managers in a remote work environment in terms of fostering a sense of belonging, feeling productive, maintaining networks, and combating burnout were the focus of a *Fortune* “Reimagine Work” event on December 15.

The discussion was led by Raj Choudhury, associate professor, Harvard Business School; Jenny Johnson, president and CEO, Franklin Templeton Investments; and Darren Murph, head of Remote, GitLab. *Fortune* CEO Alan Murray moderated the virtual event, which was presented in partnership with Future Forum by Slack.

Middle managers are feeling the stress of remote work more than their team members and senior executives, according to Brian Elliott, the Slack vice president who leads Future Forum, based on results of the company’s Remote Employee Experience Index. The midlevel supervisors feel the pinch in two areas: sense of belonging and their own productivity at work, according to the survey of 9,000 knowledge workers.

While everybody is wrestling with a sense of social isolation now, middle managers are 91% more likely than senior leaders to say it is harder to maintain relationships in the workplace. Only 63% of these middle managers, compared with 90% of senior executives, say they can count on colleagues to help them out.

Overall, productivity was reported to be higher while working remotely, but not necessarily for middle managers, who were 51% more likely than top executives to say they are spending too much time in meetings. Only 61% at the midlevel, compared with 81% of senior execs, said their workload was manageable. The top challenge reported by middle managers was staying on top of their team’s workload.

“This is not a new phenomenon that middle managers are feeling the squeeze, but they are feeling it even more in this remote work environment,” said Elliott. “This challenge of trying to take people who are sort of newer to the job of management, putting them in a remote setting, and say ‘be productive and get your teams cohesively moving together’ is a deep challenge and one that’s not going away for a while.”

Choudhury has studied remote work for years. In the current issue of *Harvard Business Review*, Choudhury identified four benefits of a “work from anywhere” approach: expand the search for talent, foster more inclusion with the larger recruiting pool, increase productivity, and save on real estate costs. He also gave insight on how to do it.

“This is truly an organizational transformation. You need to rethink your processes as they relate to everything, but specifically how you measure productivity, how you communicate, how you codify knowledge, how you socialize, how you manage regulation of labor laws,” said Choudhury.

Choudhury argued you can connect even better in the remote work world, despite the lack of “serendipitous water cooler conversations” one may have in the office, because those chats are likely with colleagues on your floor. Instead, remotely, the company can create “planned, randomized interactions,” Choudhury said.

“Someone in the company has to schedule them, that’s why they’re planned, but they are random because you’re drawing a random team from within the organization, cutting across hierarchy, cutting across cross-functional groups, and cutting across geography,” said Choudhury.

Johnson agreed, saying remote networking can be a great opportunity. “The virtual environment democratizes the interactions,” said Johnson, adding her company has Friday cocktails virtually. Franklin Templeton Investments’ senior

[cont’d]

leadership was encouraged to reach out, virtually, to five people within the company they didn't know as a way to address the concern of middle managers not having a sufficient network.

Murph advocated putting an employee in charge of remote work, similar to his role. "Much of what works in a successful remote transition only works if you put intentionality behind it, and this is a fundamental reality. If you invest in something, chances are it's going to do better," he said.

Murph said middle managers may feel crunched because an element of belonging—transparency—is missing during remote work. "When you can't see what other people are working on, you feel like you belong less," he said. "Belonging will come with transparency."

Elliott backed that up, saying Future Forum's survey found teams that were more open and used more modern technologies weren't struggling as much with the middle-management task of wondering "what is my team doing," while managers who defaulted to meetings performed worse.

Levi Strauss & Co. invested in employee mental health and well-being to address burnout, said Tracy Layney, senior vice president and chief human resources officer. A key component was training managers to lead with empathy and meet employees where they are. The company also told managers to reprioritize work after noticing meetings were being scheduled earlier and later, in what would have been commuting time, pre-pandemic. "It's going to force us as employers to be much more realistic about what it means to be productive," said Layney, adding the changes Levi Strauss has made are likely to continue after COVID.

The panelists agreed companies that are flexible about where employees can work will recruit and retain the best talent.

Murph predicted more people will ask during recruitment about workplace flexibility, and companies that don't allow 100% remote work in the future will suffer in hiring. "You can't put the genie back in the bottle," Murph said. "Companies will add flexibility where they can because top talent will demand it."

Johnson told her managers to embrace flexibility. "Use this time to push the envelope on how you can flexibly work so you're the one who is actually recruiting from your competitors the best talent," she advised. "If you can't accommodate your talent, others will be able to recruit away."

Choudhury said if the C-suite sits in the office, "work from anywhere" is doomed for failure because middle managers will commute in to get face time with top brass. "This has to be embraced by the CEO and the C-suite," he said.

Finally, the group discussed the ramifications of a two-tier system between knowledge and nonknowledge employees in an organization.

"I think the inequities are real," said Grace Zuncic, chief people officer at Chobani, where 70% of the workforce are hourly employees in the field. "Companies have to decide if they're going to put their foot down on issues like benefits, leave policies. Is it the same for all, or are you going to have corporate and frontline differences? The further we go along in this workplace-flexibility, have-whatever-you-want approach for the corporate side, you exacerbate the divide. We think about that all the time."

Participants supported enabling frontline workers to have flexibility, too, to lessen the divide.

"Flexibility still has to be installed on the nonknowledge worker side of the world if we're going to be effective on this," Elliott said.

For more information visit [Future Forum by Slack](#).